

RESOLUTION NO. 2020-_____

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA,
APPROVING A CONDITIONAL COMMITMENT
OF HUD 108 LOAN GUARANTEE FUNDS FOR
THE CHILDS AND B STREET TRANSIT-
ORIENTED DEVELOPMENT AFFORDABLE
HOUSING PROJECT**

WHEREAS, the City of Merced as an entitlement community annually receives HOME and Community Development Block Grant (CDBG) funds from the United States Department of Housing and Urban Development (HUD); and

WHEREAS, HOME and CDBG funds are to be used for assistance in providing low- and moderate-income housing at affordable rents and prices; and

WHEREAS, HUD allows borrowing ahead on future CDBG grants through the HUD 108 Loan Guarantee program; and

WHEREAS, the City of Merced is currently eligible to apply for funds under the HUD 108 Loan Guarantee program in an amount in excess of \$4 million dollars; and

WHEREAS, the City of Merced has identified HUD Section 108 Loan Guarantee Program funds in the City's HUD Annual Action Plan as a key component of the financing plan for the construction of the Childs and B Street Transit-Oriented Development (TOD) Affordable Housing Project; and

WHEREAS, the City of Merced has entered into an Enforceable Commitment Agreement with the project developer in support of the project and the HUD 108 Loan Guarantee is the last portion of the overall project financing; and

WHEREAS, the City has prepared a Section 108 Loan Guarantee Application requesting to borrow \$2,000,00 to be repaid from future program year CDBG awards; and

WHEREAS, the City of Merced has capacity to borrow on future CDBG funds to repay the HUD 108 Loan Guarantee; and

WHEREAS, a Notice of Public Hearing was published in accordance with the City's adopted HUD Community Outreach Plan and the City Council held a Public Hearing at their regularly scheduled meeting held on August 17, 2020 at which _____ comments were received; and,

WHEREAS, the Notice of Public Hearing also provided a thirty (30) day public comment period which concluded on August 31, 2020, with _____ public comments received.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCED DOES HEREBY RESOLVE, DETERMINE, FIND, AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct and incorporated herein.

SECTION 2. The City Council of the City of Merced, California, approves the submission of HUD 108 Loan Guarantee application, attached here to.

SECTION 3. The City of Merced conditionally commits, subject to final approval by HUD, the requested HUD 108 Loan Guarantee funds in support of eligible project activities for the Childs and B Street Transit-Oriented Development (TOD) Affordable Housing Project.

SECTION 4. The City Manager or Assistant City Manager is authorized to execute all required documents, instruments, and agreements, in pursuit hereof, subject to prior approval as to form by the City Attorney.

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PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the ____ day of _____ 2020, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:

Mayor

ATTEST:
STEPHANIE DIETZ, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:

Priscilla A. Nish 8/4/2020
City Attorney Date